

NNN Pier 1 Imports - A+ Site on Lowe's Outparcel Sandusky, Ohio



Exclusive Offering By:

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Offering Memorandum

Goodman Real Estate Services Group LLC
www.goodmanrealestate.com

NNN Pier 1 Imports – A+ Site on Lowe’s Outparcel

Sandusky, Ohio

Disclaimer

- NNN Hands-Off Corporate Lease
- Roughly 4 Years of Guaranteed Term Remain Plus Options
- Located on 1.13 Acre Outparcel in Front of Lowe’s and Walmart
- Over 34,000 Cars Per Day in Front of the Site
- Hard Corner Traffic Signalized Intersection 1 Block from US Highway 2 Interchange
- Surrounded By National Retailers, Restaurants, and Hospitality
- Sandusky is Home to Cedar Point Amusement Park, the Largest Tourist Attraction in Ohio
- Highly Sought After Restaurant/Retail Site on Hard Corner Location

- Disclaimer -

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The Property - Investment Summary

Property	Pier 1 Imports - Single Tenant Net Lease	
Guarantor	Pier 1 Imports (U.S.), Inc.	
Ticker	NYSE: PIR	
Address	5020 Milan Road Sandusky, Ohio 44870	
Major Market	Sandusky Micropolitan Statistical Area	
Market Population	77,079	
Building Size	8,995 square feet	
Parking Spaces	67	
Parcel Type	Corner Lot on Signalized Intersection	
Traffic Counts	34,883 VPD	
Shadow Anchors	Lowe’s and Walmart	
Deal Type	Triple Net Lease - No Landlord Responsibilities	
Acreage	1.13	
Parcels	1	
Occupancy	100%	
Rent Commencement Date	6-9-1998	
Net Operating Income	Current:	\$117,000
	July 2023:	\$128,700
CAP Rate	8%	
Price	\$1,462,500	



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The Property - Property Description

Investment Highlights

- NNN Hands-Off Corporate Lease
- A+ Real Estate Located in Front of Lowe’s and Walmart
- Highly Sought After Restaurant/Retail Site on Corner Location
- Large 1.13 Acre Site at Signalized Intersection
- Approximately 4 Years of Guaranteed Term Plus Options
- Located on US Route 250 Near Ohio’s #1 Tourist Attraction, Cedar Point Amusement Park
- Surrounded by national retailers, restaurants, tourist attractions and hospitality

Property Description

For sale to qualified investors is the fee-simple interest in a prominently-positioned, freestanding Pier 1 Imports located in Sandusky, Ohio. The 8,995-square-foot building sits on 1.13 acres at the signalized entrance to Lowe’s and Walmart. Located just one block from the route 2 highway interchange, this signalized, hard-corner property is one of, if not the most desirable outparcel in the entire Sandusky marketplace. Pier 1 signed their lease in 1998 and currently has 4 years remaining on their last extension from 2018. At a current rental rate of only \$13 per square foot, the investment offers tremendous intrinsic value. Additionally, because Pier 1 signed a triple net lease including responsibility for roof and structure, the property is hands off to the investor. The property is an ideal hold whether Pier 1 stays long term or as a re-tenant opportunity. The area is a thriving regional marketplace comprised of retail, water parks and Cedar Point Amusement Park, fishing charters and other tourism, hotels, highway interchange traffic, and more. Some of the surrounding retailers include Walmart, Sam’s Club, Lowe’s, Menards, Kohl’s, Home Depot, Meijer, Target, Dick’s, TJ Maxx, Regal Cinemas, McDonald’s, Chipotle, Five Guys, Wendy’s, Aldi, Taco Bell, KFC, Starbucks, Arby’s, Panera, and many, many more.

Sandusky, Ohio

The City of Sandusky is located in Northeast Ohio along Lake Erie, and is accessed by US Highway 250 from the south, and the Ohio Turnpike (Interstate 80) and Ohio State Route 2 from the east and west. Sandusky is approximately 45 minutes from both Greater Cleveland and Toledo, which combined have over 3,500,000 residents, many of which visit Sandusky frequently. Sandusky is well-known for its booming tourism industry, having the number one tourist attraction in Ohio and one of the top amusement parks in the world, Cedar Point, in addition to multiple indoor water parks, access to the Lake Erie islands, fishing



charters, golfing, and more. Cedar Point alone attracts over 3 Million visitors per year. Sandusky’s combination of having a high traffic regional market with highway accessibility, along with exceptional tourism, hospitality and retail, have made it one of the top overall markets in Ohio.

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Sandusky, Ohio

The Property - Property Photos



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The Property - Property Photos



NNN Pier 1 Imports – A+ Site on Lowe’s Outparcel

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Performance & Tenancy - Pricing Analysis

Base Rental Income

Tenant	Size (SF)	Annual Rent	Monthly Rent
Pier 1 Imports (U.S.), Inc.	8,995	\$117,000.00	\$9,750.00
Total	8,995	\$117,000.00	

Effective Gross Income \$117,000.00

Operating Expenses

Property Taxes	Tenant Pays Directly	
Insurance	Tenant Self Insures	
Common Area Maintenance	Tenant Contracts and Pays Directly	
	Total	\$0.00

Total Operating Expenses \$0.00

Net Operating Income (NOI) \$117,000.00

Value at 8% Cap Rate \$1,462,500.00

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Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery	
	Feet	Pro-rata	Begin	End	Begin	Annually	Monthly	Type	Comments/Options
Pier 1 Imports (U.S.), Inc.	8,995	100%	6-9-1998	6-30-2023	Current	\$117,000	\$9,750.00	NNN	Tenant responsible for all maintenance, repairs, and replacement to the building and property.
					<u>Options</u>				
					July 2023	\$128,700	\$10,725.00		Options: Two (2) — Five (5) year options. Tenant to give 180 days’ prior notice of its intent to renew.
					July 2028	\$141,570	\$11,797.50		





www.pier1.com

Pier 1 Imports is a Forth Worth, Texas-based omni-channel retailer of unique, decorative home furnishings and gifts. They specialize in imported home furnishings and decor, particularly furniture, table-top items, decorative accessories, and seasonal décor, and have specialized in global importing for more than 50 years, bringing their distinctive products and renowned treasure hunt to customers through 973 Pier 1 Imports stores and their rapidly growing e-Commerce website, www.pier1.com.

Pier 1 opened their first location in 1962 and ever since the Pier 1 brand has held distinct positioning and broad appeal. Pier 1 Imports’ customers are passionate about home décor and see it as a means to express themselves through color, new ideas and one-of-a-kind items. The company creates a warm and inviting omni-channel atmosphere; they always have something new and different to discover by frequently changing inventory and displays; they inspire their customers with fun ways to imagine the endless possibilities for their home.

Within the real estate community Pier 1 is recognized for their portfolio of prominent pad sites on the outparcels of major, nationally-anchored shopping centers and malls. Throughout the company’s store growth, they have always opted for the hard corner, high traffic sites in each regional market, giving them a billboard for their company and high intrinsic future value to the property itself.

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Market Overview - Regional Snapshot

Northeast Ohio Regional Highlights

- The Cleveland Clinic consistently ranks in the Top 5 for Best Hospitals in the U.S., with 5.1 million patient visits per year.
- In the 2015 Fortune 500 ranking of the largest U.S. corporations, 7 companies are based in Northeast Ohio.
- According to the 2018 Census Estimate, the Cleveland-Akron-Canton CSA has a population of 3,515,646 people. The area is also home to NBA, NFL, and MLB professional franchises.
- Cedar Point Amusement Park is located in Sandusky and is the top tourist attraction in the state in terms of annual customer visits—over 3,000,000 annual visitors



- Case Western Reserve University & Cleveland State University reside in the heart of downtown Cleveland. Combined enrollment is over 28,000 students.
- During 2016, developers rolled out over 1,500 apartment suites in Cleveland’s central business district. In 2015 the average was 750 apartments units, resulting in a 100% increase from the previous year. 1,743 new units were added during 2018.

Top Employers

Company	# Of Employees
• Cleveland Clinic	32,251
• University Hospitals	14,518
• Progressive Insurance	8,379
• The MetroHealth System	5,823
• Key Corp	4,812
• Case Western Reserve University	4,512
• Swagelok Co	4,186
• Sherwin-Williams Co	3,430
• Lincoln Electric Co	2,800
• Nestle USA	2,298
• Cedar Fair Amusement Parks	1,700



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Market Overview - Retail Aerial



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Sandusky, Ohio

Market Overview - Property Aerial



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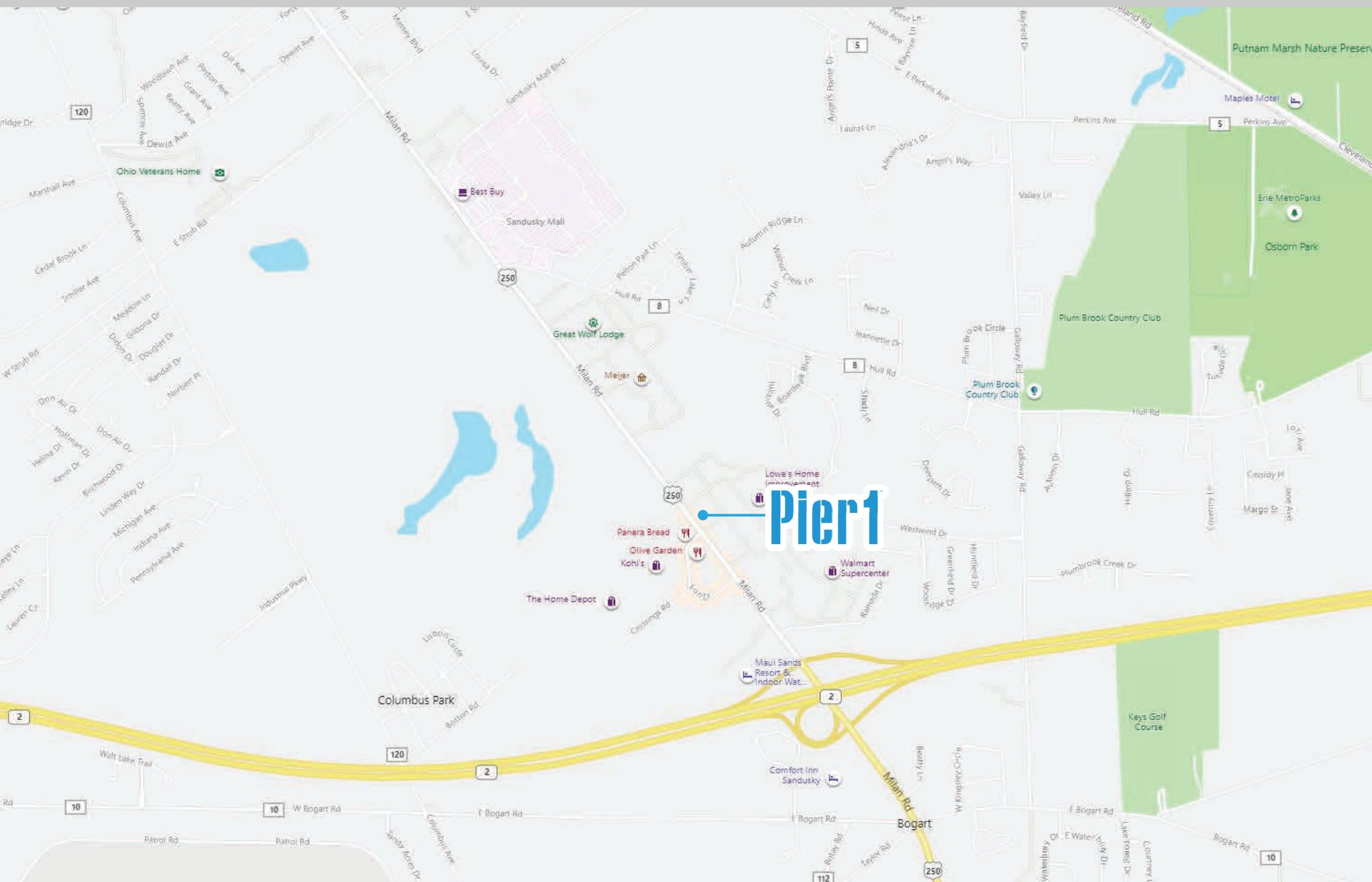
Market Overview - Regional Map



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Sandusky, Ohio

Market Overview - Local Map



NNN Pier I Imports – A+ Site on Lowe’s Outparcel

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Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
Population				
2018 Estimated Population	2,559	17,668	40,218	50,273
2023 Projected Population	2,457	16,990	38,628	48,389
2010 Census Population	2,734	18,224	41,741	51,995
2000 Census Population	2,585	18,079	44,050	54,382
Projected Annual Growth 2018-2023	-3.98%	-3.84%	-3.95%	-3.75%
Historical Annual Growth 2000-2018	-1.01%	-2.27%	-8.70%	-7.56%
Households				
2018 Estimated Households	1,079	7,349	16,679	21,070
2023 Projected Households	1,034	7,054	15,999	20,259
2010 Census Households	1,152	7,581	17,306	21,839
2000 Census Households	1,096	7,162	17,763	22,130
Projected Annual Growth 2018-2023	-4.15%	-4.02%	-4.08%	-3.85%
Historical Annual Growth 2000-2018	-1.58%	2.62%	-6.10%	-4.79%
Age (2018)				
Est. Population Under 10 Years	8.5%	9.9%	11.6%	11.3%
Est. Population 10-19	11.1%	11.6%	12.6%	12.4%
Est. Population 20-30	11.3%	11.7%	12.2%	12.1%
Est. Population 30-44	12.3%	15.1%	16.7%	16.4%
Est. Population 45-59	20.0%	19.3%	19.1%	19.4%
Est. Population 60-74	24.2%	21.6%	19.4%	19.6%
Est. Population 75 Years or Over	12.5%	10.8%	8.5%	8.8%
Income (2018)				
Est. HH Inc \$200,000 or more	7.5%	3.1%	1.6%	1.9%
Est. HH Inc \$150,000 to \$199,999	7.8%	5.0%	3.6%	3.8%
Est. HH Inc \$100,000 to \$149,999	16.8%	13.7%	9.9%	10.5%
Est. HH Inc \$75,000 to \$99,999	8.5%	12.8%	11.0%	12.0%
Est. HH Inc \$50,000 to \$74,999	21.4%	19.1%	17.4%	16.9%
Est. HH Inc \$35,000 to \$49,999	19.1%	15.9%	16.6%	16.8%
Est. HH Inc \$25,000 to \$34,999	12.7%	11.3%	12.9%	12.9%
Est. HH Inc \$15,000 to \$24,999	4.6%	10.3%	12.3%	11.8%
Est. HH Inc Under \$15,000	1.6%	8.8%	14.6%	13.3%
Est. Average Household Income	\$ 92,443	\$ 73,447	\$ 60,088	\$ 63,143
Est. Median Household Income	\$ 58,746	\$ 53,906	\$ 43,749	\$ 45,379
Est. Per Capita Income	\$ 38,962	\$ 30,551	\$ 24,920	\$ 26,465

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Education (2018)				
Est Pop Age 25+ by Educ Attain.	1,910	12,816	28,090	35,303
Less than 9th grade	1.6%	2.5%	3.0%	2.7%
Some High School, no diploma	4.9%	5.5%	8.3%	7.8%
High School Graduate (or GED)	29.8%	31.2%	34.6%	35.6%
Some College, no degree	15.8%	22.9%	22.2%	21.8%
Associate Degree	9.4%	10.4%	8.9%	8.9%
Bachelor's Degree	22.9%	18.4%	15.9%	15.6%
Graduate Degree	15.6%	9.0%	7.0%	7.6%
Housing (2018)				
Est. Total Housing Units	1,163	8,224	19,171	24,322
Est. Owner-Occupied	73.5%	64.9%	55.5%	57.4%
Est. Renter-Occupied	19.3%	24.5%	31.5%	29.3%
Est. Vacant Housing Units	7.2%	10.6%	13.0%	13.4%
Homes Built by Year (ACS)				
Homes Built 2005 Or Later	0.2%	0.5%	0.3%	0.3%
Homes Built 2000 To 2004	0.8%	0.6%	0.4%	0.4%
Homes Built 1990 To 1999	9.6%	9.0%	4.9%	5.6%
Homes Built 1980 To 1989	36.9%	14.2%	8.3%	8.9%
Homes Built 1970 To 1979	10.7%	9.5%	6.9%	8.1%
Homes Built 1960 To 1969	6.3%	17.5%	13.0%	13.0%
Homes Built 1950 To 1959	10.3%	17.5%	13.7%	14.6%
Homes Built 1940 To 1949	20.5%	17.6%	16.9%	16.8%
Homes Built 1939 Or Earlier	1.7%	5.3%	8.4%	7.7%
Housing (2018)				
Home Value \$1,000,000 or more	0%	1%	1%	1%
Home Value \$500,000 to \$999,999	5%	3%	3%	3%
Home Value \$400,000 to \$499,999	4%	2%	2%	2%
Home Value \$300,000 to \$399,999	9%	8%	6%	7%
Home Value \$200,000 to \$299,999	33%	26%	18%	19%
Home Value \$150,000 to \$199,999	24%	24%	18%	19%
Home Value \$100,000 to \$149,999	16%	18%	25%	25%
Home Value \$70,000 to \$99,999	6%	9%	14%	12%
Home Value \$50,000 to \$69,999	0%	2%	5%	4%
Home Value \$25,000 to \$49,999	1%	2%	3%	2%
Home Value Under \$25,000	2%	5%	4%	5%
Median Housing Unit Value	\$ 204,533	\$ 178,807	\$ 145,319	\$ 154,238

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Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
Labor Force (2018)				
Est Pop Age 16+ by Employ. Status	2,204	14,842	32,788	41,146
Labor Force	60.6%	63.0%	62.6%	62.2%
In Armed Forces	0.0%	0.0%	0.0%	0.0%
Civilian, Employed	58.1%	59.0%	57.3%	57.0%
Civilian, Unemployed	2.5%	4.0%	5.3%	5.2%
Not in Labor Force	39.4%	37.0%	37.4%	37.8%
Occupation (2018)				
Agr, forest, fish & hunt., min and const.	4.1%	4.1%	3.9%	4.5%
Manufacturing	15.1%	16.8%	17.9%	18.2%
Wholesale & retail trade	15.3%	14.3%	14.1%	13.6%
Transp. and warehousing, and utilities	5.6%	4.5%	4.0%	4.3%
Information	4.0%	2.3%	1.7%	1.5%
Fin, ins., real estate, rental & leasing	5.3%	4.6%	3.9%	3.7%
Prof, sci, manag, admin, & waste ms	6.4%	6.5%	5.4%	5.8%
Educational, health and social services	26.6%	22.8%	21.7%	22.1%
Arts, enter., rec., accom. & food services	7.5%	13.8%	19.2%	18.1%
Other services (except pub admin.)	4.7%	4.9%	3.8%	3.7%
Public Administration	5.5%	5.3%	4.4%	4.4%
Travel Time (ACS)				
14 Minutes or Less	55.2%	57.5%	52.9%	49.4%
15 to 29 Minutes	26.6%	27.7%	32.2%	34.3%
30 to 59 Minutes	11.7%	9.8%	10.0%	11.2%
60 Or More Minutes	6.5%	5.0%	4.9%	5.2%
Weekly Per Capita Consumer Expenditures				
Market Basket	\$ 51.75	\$ 50.42	\$ 50.56	\$ 50.92
Apparel and services	\$ 12.84	\$ 12.03	\$ 11.70	\$ 11.86
Transportation	\$ 71.42	\$ 66.88	\$ 64.72	\$ 65.60
Health Care	\$ 33.61	\$ 31.42	\$ 30.31	\$ 30.76
Entertainment	\$ 20.93	\$ 19.52	\$ 18.85	\$ 19.11